

ADOPTED

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

57 September 13, 2016

LORI GLASGOW EXECUTIVE OFFICER

August 5, 2016

Dean C. Logan, Registrar of Voters County of Los Angeles Registrar of Voters 12400 Imperial Highway Norwalk, CA 90650 Lori Glasgow, Executive Officer/ Clerk of the Board, Board of Supervisors, Los Angeles County 500 W. Temple Street Los Angeles, CA 90012

Re: Lynwood Unified School District November 8, 2016 Bond Measure Election

Enclosed please find the Lynwood Unified School District Board of Education RESOLUTION NO. 16/17-01 "RESOLUTION OF THE BOARD OF EDUCATION OF LYNWOOD UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER" adopted on August 2, 2016 calling for a November 8, 2016 local bond election.

Also enclosed is our Tax Rate Statement.

We expect Exhibit B to be printed in its entirety in each sample ballot/voter pamphlet.

By this letter we are formally requesting to review a proof of the ballot statement language, the full text of the ballot proposition, impartial analysis and ballot arguments that would appear in the voter pamphlet prior to publishing. Please direct this proof to the undersigned as soon as it is available.

We believe that Education Code Section 15122.5 is applicable and we request that the County include the following "State Matching Funds" language in the ballot or voter pamphlet:

"Approval of Measure L does not guarantee that the proposed project or projects in the Lynwood Unified School District that are the subject of bonds under Measure L will be funded beyond the local revenues generated by Measure L. The district's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure."

If possible, the District would like to request the measure letter designation of "L". If not possible, the District requests that we not be assigned the letters "K".

We would be more than happy to provide you with the resolution electronically in order to facilitate your work, or to assist with this process in any other manner.

This letter also authorizes you to contact David Casnocha (415) 283-2241 or Carlos Villafuerte (415) 283-2251 of Stradling Yocca Carlson & Rauth, our bond counsel, if you have any questions.

Sincerely

Marlene Dunn

Chief Business Official

Enclosure

cc: Day

David G. Casnocha

Carlos Villafuerte

RESOLUTION NO. 16-17/01

- RESOLUTION OF THE BOARD OF EDUCATION OF LYNWOOD UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER
- WHEREAS, the Board of Education (the "Board") of the Lynwood Unified School District (the "District") has determined that supporting academic programs and expanding, upgrading, repairing, improving and better equipping educational facilities within the District are required to enhance the quality of education of all students in the District; and
- **WHEREAS**, the Board remains committed to improving the quality of education in Lynwood schools by upgrading technology, science labs, and job training facilities and improving school libraries so that our students are prepared to excel in the 21st Century; and
- WHEREAS, the Board has determined that the District needs to continue to improve District physical education facilities so that our kids can participate in a range of activities to stay active, focused on studying and out of trouble; and
- WHEREAS, the Board has determined that the District must ensure that students are safe at school and that our schools need additional resources to replace and fix broken fences and upgrade lighting, gates and locks to keep schools safe; and
- WHEREAS, in the considered judgment of the Board, it is in the best interests of the District residents to provide additional facility improvement funding to meet such needs now by means of a general obligation bond, since the evidence indicates that if these needs are not addressed now, they will only become more pressing and more costly; and
- WHEREAS, on November 7, 2000, the voters of California approved the Smaller Classes, Safer Schools and Financial Accountability Act ("Proposition 39") which reduced the voter threshold for *ad valorem* tax levies used to pay for debt service or bonded indebtedness to 55% of the votes cast on a school district general obligation bond; and
- WHEREAS, concurrent with the passage of Proposition 39, Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code (the "Act") became operative and established requirements associated with the implementation of Proposition 39; and
- WHEREAS, the Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight that are contained in Proposition 39 and the Act; and
- WHEREAS, the Board desires to authorize the submission of a proposition to the District's voters at an election to authorize the issuance of bonds to pay for certain necessary improvements and enhancements to local District school facilities; and
- WHEREAS, the Board has determined that the District should aggressively pursue eligibility for State matching facilities funding reduce the District's share of the costs of the projects to be funded with general obligation bonds;

WHEREAS, the Board hereby determines that, in accordance with Opinion No. 04-110 of the Attorney General of the State of California, the restrictions in Proposition 39 which prohibit any bond money from being wasted or used for inappropriate administrative salaries or other operating expenses of the District shall be monitored strictly by the District's Citizens' Oversight Committee; and

WHEREAS, pursuant to Education Code Section 15270, based upon a projection of assessed property valuation, the Board has determined that, if approved by voters, the tax rate levied to meet the debt service requirements of the bonds proposed to be issued will not exceed the Proposition 39 limits per year per \$100,000 of assessed valuation of taxable property; and

WHEREAS, Elections Code Section 9400 *et seq.* requires that a tax rate statement be contained in all official materials relating to the election, including any ballot pamphlet prepared, sponsored, or distributed by the District; and

WHEREAS, the Board desires to authorize the filing of a ballot argument in favor of the proposition to be submitted to the voters at the election; and

WHEREAS, pursuant to the Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on Tuesday, November 8, 2016, and to request the Los Angeles County Registrar of Voters to perform certain election services for the District;

NOW THEREFORE, THE BOARD OF EDUCATION OF THE LYNWOOD UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the Board, pursuant to Education Code Sections 15100 et seq. (including Sections 15300 et seq.), 15264 et seq., and Government Code Section 53506, hereby requests the Los Angeles County Registrar of Voters to conduct an election under the provisions of the Proposition 39 and the Act and submit to the electors of the District the question of whether bonds of the District in the aggregate principal amount of \$65,000,000 (the "Bonds") shall be issued and sold for the purpose of raising money for the purposes described in Exhibit A and Exhibit B hereto.

Section 2. That the date of the election shall be November 8, 2016.

- Section 3. That the purpose of the election shall be for the voters in the District to vote on a proposition, a copy of which is attached hereto and marked Exhibit "A", incorporated by reference herein, and containing the question of whether the District shall issue the Bonds to pay for improvements to the extent permitted by such proposition. In compliance with Proposition 39 and the Act, the ballot propositions in Exhibit "A" and "B" are subject to the following requirements and determinations:
- (a) the proceeds of the sale of the Bonds shall be used only for the purposes set forth in the ballot measure and not for any other purpose, including teacher or administrator salaries or pensions or other school operating expenses;
- (b) that the Board, in establishing the projects set forth in Exhibit "B", evaluated the safety, class size reduction, and classroom, educational, and information technology needs of schools within the District:

- (c) that the Board shall cause an annual, independent performance audit to be conducted to ensure that the Bond monies are spent only for the projects identified in Exhibit "B" hereto;
- (d) that the Board shall cause an annual, independent financial audit of the proceeds from the sale of Bonds to be conducted until all of the Bond proceeds have been expended;
- (e) that the Board will cause the appointment of a Citizens' Oversight Committee in compliance with Education Code Section 15278 no later than 60 days after the Board enters the election results in its minutes pursuant to Education Code Section 15274. The Citizens' Oversight Committee shall consist of at least seven (7) members and at no time consist of less than seven (7) members, with the possible exception of brief periods to fill any unexpected vacancies. The Citizens' Oversight Committee may not include any employee or official of the District or any vendor, contractor or consultant of the District. The Citizens' Oversight Committee shall include all of the following: One (1) member who is active in a business organization representing the business community located within the District; One (1) member who is active in a senior citizens' organization; One (1) member who is active in a bona fide taxpayer association; One (1) member who is a parent of a child in the District schools; One (1) member is both a parent of a child in the District schools and active in a school site council or PTA. In furtherance of its specifically enumerated purposes, the Citizens' Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition 39 bond proceeds:
 - (i) Inspect District facilities and grounds to ensure that Proposition 39 bond proceeds are expended in compliance with applicable law;
 - (ii) Receive and review copies of all deferred maintenance proposals or plans developed by the District;
 - (iii) Review efforts of the District to maximize Proposition 39 bond revenues by implementing cost-saving programs;
 - (iv) Receive and review copies of the annual, independent financial and performance audits performed by independent consultant(s);
 - (v) Receive from the Board, within three months of the District receiving the above-described audits, responses to any and all findings, recommendations, and concerns addressed in said audits, and review said responses; and
- (f) that the tax levy authorized to secure the Bonds of this election shall not exceed the Proposition 39 limits per \$100,000 of taxable property in the District when assessed valuation is projected by the District to increase in accordance with Article XIIIA of the California Constitution.
- Section 4. That the authority for ordering the election is contained in Education Code Sections 15100 *et seq.*, 15264 *et seq.*, and Government Code Section 53506.
- <u>Section 5.</u> That the authority for the specifications of this election order is contained in Sections 5322 of the Education Code.
- Section 6. That the Los Angeles County Registrar of Voters and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with

any and all other elections to be held on November 8, 2016, within the District. Pursuant to Elections Code Section 10403 the Board acknowledges that the consolidation election will be held and conducted in the manner prescribed in Elections Code Section 10408.

Section 7. That the Secretary of the Board is hereby directed to deliver a certified copy of this Resolution to the Los Angeles County Registrar of Voters no later than August 12, 2016.

Section 8. That any Bonds issued pursuant to Section 15264 *et seq*. of the Education Code hereto or pursuant to Government Code Section 53506. The maximum rate of interest on any Bond shall not exceed the maximum rate allowed by Education Code Sections 15140 to 15143, as modified by Government Code Section 53531.

Section 9. That the Board requests the governing body of any such other political subdivision, or any officer otherwise authorized by law, to partially or completely consolidate such election and to further provide that the canvass of the returns of the election be made by anybody or official authorized by law to canvass such returns, and that the Board consents to such consolidation. The Board further authorizes the submission of a tax rate statement and primary and rebuttal arguments, as appropriate, to be filed with the Los Angeles County Registrar of Voters by the established deadlines.

<u>Section 10.</u> Pursuant to Education Code Section 5303 and Elections Code Section 10002, the Board of Supervisors of Los Angeles County is requested to permit the Registrar of Voters to render all services specified by Elections Code Section 10418 relating to the election, for which services the District agrees to reimburse Los Angeles County, such services to include the publication of a Formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Elections Code Section 9401) pursuant to the terms of Education Code Section 5363 and Elections Code Section 12112.

ADOPTED, SIGNED AND APPROVED this 2nd day of August, 2016.

BOARD OF EDUCATION OF THE LYNWOOD UNIFIED SCHOOL DISTRICT

By

President

Attest:

Chief Business Official

STATE OF CALIFORNIA)
)ss
LOS ANGELES COUNTY)

I, Marlene Dunn, do hereby certify that the foregoing is a true and correct copy of Resolution No. 16-17/01, which was duly adopted by the Board of Education of the Lynwood Unified School District at the meeting thereof held on the 2nd day of August, 2016, and that it was so adopted by the following vote:

AYES: Four (4)

NOES: One (1)

ABSENT: Zero (0)

ABSTENTIONS: Zero (0)

Marlene Dunn

Chief Business Official

EXHIBIT A

"To improve/ maintain neighborhood schools by repairing/ updating classrooms, science labs/ technology, repairing leaky roofs, bathrooms, plumbing/ electrical, improving school safety with lighting, fences, fire alarms, earthquake retrofits, removing asbestos, replacing portables with permanent classrooms, and acquiring, renovating, constructing/ equipping school sites/ facilities, shall Lynwood Unified School District issue \$65,000,000 in bonds at legal rates, requiring strict accountability, Independent Citizens' Oversight Committee review, independent annual audits, with no funds for administrator salaries/ pensions, all funds used locally?"

Bonds – Yes

Bonds - No

EXHIBIT B

FULL TEXT BALLOT PROPOSITION OF THE LYNWOOD UNIFIED SCHOOL DISTRICT BOND MEASURE ELECTION NOVEMBER 8, 2016

The following is the full proposition presented to the voters by the Lynwood Unified School District.

"To improve/ maintain neighborhood schools by repairing/ updating classrooms, science labs/ technology, repairing leaky roofs, bathrooms, plumbing/ electrical, improving school safety with lighting, fences, fire alarms, earthquake retrofits, removing asbestos, replacing portables with permanent classrooms, and acquiring, renovating, constructing/ equipping school sites/ facilities, shall Lynwood Unified School District issue \$65,000,000 in bonds at legal rates, requiring strict accountability, Independent Citizens' Oversight Committee review, independent annual audits, with no funds for administrator salaries/ pensions, all funds used locally?"

Bonds – Yes Bonds – No

PROJECT LIST

The Board of Education of the Lynwood Unified School District desires to improve the quality of education of local students, and has evaluated the District's urgent and critical facility needs, including safety issues, enrollment trends, class size, class size reduction and computer and information technology, to develop projects which best improve classroom achievement. Teachers, staff, community members and the Board have prioritized student success in the 21st Century and keeping kids focused and out of trouble as the most critical factors in addressing facility and program needs. The Board concluded that if these needs are not addressed now, the problems will only become more pressing. Therefore, in approving this Project List, the Board of Education determines that the District must:

- Improve education and technology so kids can succeed in the 21st Century.
- Improve classrooms, and physical education facilities specifically designed to keep kids focused on school.
- Improve school facilities so that our students have the same opportunities as students in neighboring districts.
- Upgrade technology and energy efficiency at every school.
- Ensure that bond funds are leveraged to qualify for State matching facility funds.
- Adhere to specific fiscal accountability safeguards such as:
 - (a) Insist that all bond money must be spent locally on District schools.
 - (b) No money for administrators' salaries and no money for Sacramento.
 - (c) An independent citizens' oversight committee must be appointed to ensure that all funds are spent only as authorized.
 - (d) All expenditures must be subject to annual independent financial and performance audits.

The Project List includes the following types of projects at District schools and sites:

School Renovation, Repair and Upgrade Projects

<u>Goal and Purpose</u>: To improve the quality of education at neighborhood schools by upgrading technology so that our students are prepared to excel in the 21st Century, schools will benefit from the renovation, repair and upgrade of deteriorating, outdated school buildings, science labs, classrooms, school libraries and equipment:

- Repair, upgrade and replace worn-out leaking roofs, bathrooms and plumbing systems.
- Replace existing wiring systems to meet current electrical codes.
- Ensure that all students have access to upgraded science labs and equipment.
- Upgrade aging and deteriorating school classrooms.
- Upgrade athletic facilities so students stay active, engaged in school and out of trouble.
- Upgrade technology, equipment and facilities for job-training programs.

School, Safety and Security, Earthquake Safety Projects

<u>Goal and Purpose</u>: We need to upgrade our fences and locks to make our schools safe. Safe schools will help attract and retain quality teachers, deter vandalism and allow kids to focus on school:

- Install new security systems, such as security cameras, outdoor lighting, fencing, gates and classroom door locks.
- Remove or abate asbestos.
- Upgrade emergency communication systems.
- Upgrade fire alarm systems and fire safety equipment.
- Improve school access for students with disabilities.
- Keep school clean and well-maintained.
- Retrofit schools for earthquake safety.

* * *

Listed building, repair and rehabilitation projects and upgrades will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed repair and construction projects stated above, the Project Lists also include increasing access to early childhood education; maximizing energy and water efficiency to save money; the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of

outstanding lease obligation, capital facility note obligations or other interim funding incurred to advance fund projects from the Projects List, or the reimbursement of the District for such advancement, the construction of new or improved schools, if necessary to serve students, the acquisition of land; replacing portables with permanent classrooms; the construction or remodeling of administrative support spaces, installation of signage and fencing, the payment of the costs of preparation of all facility planning, facility assessment reviews, facility master plan updates, environmental studies (including environmental investigation, remediation and monitoring) and construction documentation, gymnasium upgrades, and temporary housing of dislocated District activities caused by bond projects. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection, card access systems, laser printers, digital white boards, document projectors, upgraded voice-over IP, call manager and network security/firewall, and other miscellaneous equipment and software. In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; repair and replacement of heating, air conditioning and ventilation systems; upgrade of facilities for energy efficiencies and to reduce fire risks; repair and replacement of worn-out and leaky roofs, windows, walls, ceilings, doors and drinking fountains; improving traffic flow at schools; installation wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping; upgrade athletic fields: build/renovate new gymnasiums and athletic facilities; upgrade or replace inadequate libraries, multipurpose rooms and kitchens; upgrade locker rooms; install lunch shelters, artificial turf, and bleachers; improve sanitation and recycling; expand parking; install interior and exterior painting and floor covering; replacement of portable classrooms; installation of covered walkways or shelters; renovation or addition of administrative support spaces; repair rubberized play apparatus surfaces; reconstruct playgrounds; demolition; and construction of various forms of storage and support spaces; upgrade classrooms; repair, upgrade and install interior and exterior lighting systems; replace water and sewer lines and other plumbing systems; and replace outdated security fences and security systems. The allocation of bond proceeds will be affected by the District's receipt of State matching funds, and the final costs of each project. In the absence of State matching funds, which the District will aggressively pursue to reduce the District's share of the costs of the projects, the District will not be able to complete some of the projects listed above. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more costeffective in creating more enhanced and operationally efficient campuses. preparation/restoration/stabilization may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing or installing irrigation, storm drain, and utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the specific purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

NO ADMINISTRATOR SALARIES. PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

FISCAL ACCOUNTABILITY. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE (EDUCATION CODE SECTION 15278 ET SEQ.) TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

TAX RATE STATEMENT REGARDING PROPOSED \$65,000,0000.00 LYNWOOD UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION BONDS

An election will be held in the Lynwood Unified School District (the "District") on November 8, 2016, to authorize the sale of up to \$65,000,000 in bonds of the District to finance school facilities as described in the proposition. If the bonds are approved, the District expects to issue the Bonds in multiple series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400 through 9404 of the California Elections Code.

- 1. The best estimate of the tax which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 6 cents per \$100 (\$60 per \$100,000) of assessed valuation in fiscal year 2017-18.
- 2. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is 6 cents per \$100 (\$60 per \$100,000) of assessed valuation in fiscal year 2025-26.
- 3. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 6 cents per \$100 (\$60 per \$100,000) of assessed valuation and is projected to remain approximately the same in each year during the term of repayment of the bonds.
- 4. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all of the bonds are issued and sold is approximately \$124,100,000.

Voters should note that estimated tax rates are based on the ASSESSED VALUE of taxable property on the County's official tax rolls, <u>not</u> on the property's market value, which could be more or less than the assessed value. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Certain taxpayers may also be eligible to postpone payment of taxes. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply, and the actual total debt service, may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on need for construction funds

and other factors, including the legal limitations on bonds approved by a 55% affirmative vote. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

Dated: August 5, 2016.

/s/ Paul Gothold

Paul Gothold, Superintendent Lynwood Unified School District